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Consolidated Gold Fields Limited
83rd Annual Report 1970

Consolidated Gold Fields Limited

Incorporated in the United Kingdom

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Consolidated Gold Fields Limited will be held at The Chartered Insurance Institute 20 Aldermanbury London EC2, on Tuesday, 17 November 1970 at 11.30 am, to receive the report of the Directors and the accounts for the year ended 30 June 1970 and the report of the auditors thereon, to authorise the Directors to determine the remuneration of the auditors, and:

As ordinary business to consider and, if thought fit, to resolve:

- 1 That a final dividend of 10½d per share, less tax, be declared on the ordinary shares.
- 2 That the following be re-elected Directors of the Company:
 - (a) Dr W J Busschau
 - (b) Lord Erroll of Hale
 - (c) Mr W Mason Smith
 - (d) Mr A R O Williams

As special business, to consider and, if thought fit, pass the following Resolutions which will be proposed as Special Resolutions:

3 That Article 78 of the Articles of Association of the Company be amended by deleting the first sentence thereof and substituting the following sentence therefor:

‘As from 1 January 1971 the Directors shall be paid out of the funds of the Company as remuneration for their services at the rate of £2,000 per annum for each Director other than the Chairman or any Deputy Chairman and at the rate of £2,500 per annum for each Deputy Chairman and at the rate of £3,000 per annum for the Chairman or at such other rates per annum as may from time to time be determined by the Company in General Meeting.’

4 That on and after 15 February 1971, the ordinary shares of 5s each in the capital of the Company shall be known as ordinary shares of 25p each.

By order of the Board
J R Stewardson
Secretary

24 October 1970

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Holders of ordinary shares, who alone are entitled to attend and vote at the meeting, may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a member of the Company.

For the convenience of Ordinary shareholders who may be unable to attend the meeting, a form of proxy is attached at the back of this report which should be completed and returned so as to reach the Company not less than forty-eight hours before the time for the meeting. The fact that Ordinary shareholders may have completed forms of proxy will not prevent them from attending and voting in person should they afterwards decide to do so.

Holders of ordinary share warrants to bearer who wish to be present or represented at the meeting may obtain the necessary information regarding the formalities to be complied with and forms of proxy from the registered office of the Company.

The following will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays excluded) and at The Chartered Insurance Institute 20 Aldermanbury London EC2 on 17 November 1970 from 11.15 am until the conclusion of the Annual General Meeting:

- i the register of Directors' interests;
- ii copies of contracts of service between the Directors and the Company or any of its subsidiaries.

Registered office
49 Moorgate London EC2R 6BQ

Registrar
Lloyds Bank Limited Registrar's Department
The Causeway Goring-by-Sea
Worthing Sussex

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Directors

J D McCall

Chairman

R A Hope
G J Mortimer MBE
M E Rich

Deputy Chairmen

Major-General J H S Bowring CB OBE MC
W J Busschau
The Rt Hon the Viscount Caldecote DSC
J B Davis
Sir Charles Denman BART MC
The Rt Hon Lord Erroll of Hale PC TD
Sir George Harvie-Watt BART TD DL QC
A Louw
H A Mackay
M Maclachlan
J B Massy-Greene
W Mason Smith
J R A M Storar
R L Whiting
A R O Williams OBE

Directors

Robert Annan

Honorary President

J R Stewardson

Secretary

49 Moorgate London EC2R 6BQ

Registered Office

Lloyds Bank Limited Registrar's Department
The Causeway Goring-by-Sea Worthing Sussex

Registrar

Group offices overseas

Australia

Consolidated Gold Fields Australia Limited

Gold Fields House Sydney Cove Sydney

Chairman – J B Massy-Greene

Canada

Newconex Holdings Limited

Toronto-Dominion Centre Toronto

President – W A Robinson DSO

South Africa

Gold Fields of South Africa Limited

75 Fox Street Johannesburg

Chairman – A Louw

United States of America

Gold Fields American Corporation

Bankers Trust Building 280 Park Avenue New York

President – J H Nicholls

Group profile



49 Moorgate

Eighty-three years ago this company was registered in London with a modest capital. One of its founders and first managing directors was Cecil Rhodes. It began life as a mining finance house solely directed towards the South African gold mining industry. Gold, the noblest of metals, thus formed the foundation on which the subsequent fortunes of the Group were built, and it still makes a major contribution to its prosperity.

In South Africa the years between 1902 and the outbreak of the First World War saw alternate boom and depression. The early 1920s, however, were years of unrelieved gloom for the gold mines and the problems of rising costs occasioned by post-war inflation became almost insuperable. At that time the Group's business in South Africa was reduced to the operation of three mines, Robinson Deep, Simmer and Jack and Sub Nigel, sardonically referred to locally as "Faith, Hope and Charity". But Sub Nigel proved to be the richest gold mine in the world for many years and these three properties were to carry the Group through to one of the most vital stages of its history. Paradoxically, the great depression of this period and the early 1930s proved to be a turning point for Gold Fields.

The 1930s were marked by a major rise in the price of gold and by Gold Fields' discovery of a new gold field, the West Wits Line. Five Group administered mines have been developed in this area including the fabulous West Driefontein. A sixth is due to commence production in 1971.

The Group has also built up a substantial stake in the platinum industry through its interest in Rustenburg. This is now the Group's second largest single investment. More recently a position has been established in the South African base metal industry.

It was early in the present century that the Group's interests began to broaden and soon reached the Gold Coast, Nigeria, Colombia, the Yukon, Australia and even Siberia. Good though some of these interests were, they were also scattered and Gold Fields did not find it possible to build on them a major position anywhere outside South Africa. In the mid 1950s, however, the Group embarked again on a determined policy of diversification into other territories and commodities.

A key step came in 1960 when a controlling position was acquired in an Australian finance company, Commonwealth Mining Investments. This was the prelude to obtaining majority holdings in four prominent mining companies, Associated Minerals in 1961 and Mount Lyell, Renison and Bellambi in 1964.

The iron ore joint venture at Mount Goldsworthy came to production in 1966. In the same year Consolidated Gold Fields Australia, which leads the Australian group, went public, and in 1969 it secured a controlling interest in Western Titanium.

In 1962 Newconex Holdings was formed to represent Gold Fields in Canada. A year later the Group obtained a majority holding in American Zinc in the United States.

Gold Fields widened its operational sphere further by acquiring in the United Kingdom a number of industrial and commercial companies, including Alumasc in 1959 and the Tennant group in 1963. The Group also moved into a major position in the construction materials industry, with interests in shipping and road haulage, when it acquired Greenwoods (St. Ives) in 1967 and Amalgamated Roadstone in 1968.

Gold Fields' transformation into an international mining and industrial group has made great progress. As can be seen in the following pages its operations now span the world and its interests range from gold and platinum to base metals, building materials, transport and manufacturing.

Report of the Directors

The Directors present their report and the audited accounts for the year ended 30 June 1970.

The salient features from the accounts are set out on page 8.

The Group profit and loss account, the Group balance sheet and the parent company's balance sheet are shown on pages 25 to 27.

Analyses of the Group's turnover, profit and assets appear on pages 36 and 37.

A summary of the Group's financial results for the past 10 years is on pages 42 and 43.

Group profit and loss account

Group revenue for the year amounted to £37.2 million showing an increase of £5.6 million over the previous year. The sources from which it arose are shown in the tabulation which appears on page 37.

Net revenue from mining and quarrying companies increased by £5.5 million and from industrial and commercial companies by £0.7 million, while dividends and interest on investments rose by £1.2 million. These increases were partly offset by a decrease of £1.8 million in profits on realisation of investments.

The main improvement thus came from the mining and quarrying companies which contributed £13.8 million compared with £8.3 million last year.

Profits from copper mining at Mount Lyell rose by £2.0 million and further increases were shown by the Renison tin mine, the Mount Goldsworthy iron ore operation, and Associated Minerals, the rutile and zircon producer. The Amalgamated Roadstone group also improved its results and contributed a full year's profits for the first time, and seven months' profits from Western Titanium, a new subsidiary, are now included.

Industrial and commercial companies increased their net revenue to £3.1 million from £2.4 million last year principally due to favourable results in the United Kingdom from Alumasc and the Tennant Group.

Larger distributions by the platinum and gold mining companies contributed substantially to the increase in dividends and interest on investments by £1.2 million to £9.3 million. The recovery of West Driefontein from the effects of the flooding in October 1968 was a major factor in the improvement.

With the exception of Australian mining shares, which continued to be much in demand, world stock markets were generally depressed. Group profits on realisation of investments must be expected to fluctuate with changing market conditions. Nevertheless revenue from this source was still at a very satisfactory level at £6.2 million compared with £8.0 million last year.

The profit of the Group, after deducting expenses and interest on debentures and loans, but before taxation, amounted to £27.7 million compared with £23.3 million.

The increase of £1.8 million in taxation to £10.4 million was mainly attributable to the improved profits and to a further increase this year in the rate of company tax in Australia.

After deducting taxation and the interest of outside shareholders the net profit attributable to the members of the Company increased by £1.7 million to £12.7 million.

The sum of £6.8 million has been transferred to reserves and £6.3 million is required to meet the cost of dividends. Unappropriated profits carried forward amounted to £1.0 million.

Group balance sheet

Authorised capital

The authorised capital remained unchanged at £25 million.

Capital employed

The issued ordinary share capital of the Company was increased during the year to 86,185,236 shares of 5s each by the issue of 8,540,879 shares, on a rights basis to Ordinary shareholders, at a price of 36s per share. The purpose was to provide additional funds for the expansion of existing Group operations, to refinance certain loan commitments and to enable the Company to follow its rights in the second issue by East Driefontein.

The reserves of the Group not available for distribution increased by £12.8 million to £47.2 million.

A total of £8.5 million, including £1.7 million from General Reserve, was transferred to Investment and Exploration Reserve. A charge of £7.8 million was made against this reserve. £4.7 million was in respect of adjustments in the value of investments in non-subsidiary companies and £0.6 million related to exploration projects. In addition, it was felt appropriate to write down the value of interests in certain subsidiary companies by £2.5 million. Of this £2.2 million was in respect of American Zinc which continued to incur losses. The reserve now amounts to £4.8 million compared with £4.4 million at the end of the previous year.

Total reserves arising from profit retentions at 30 June 1970 were £17.0 million.

Debentures and loans decreased by £1.9 million to £52.4 million principally because of repayments of short term loans by the parent company.

The interests of outside shareholders in the capital and reserves of subsidiary companies increased by £2.7 million to £32.3 million. The major part of this increase was accounted for by the issue of shares in Consolidated Gold Fields Australia to shareholders of Western Titanium as part consideration for the acquisition of a majority interest in the latter company.

As a result of the above changes the total capital employed by the Group increased to £171.8 million from £158.5 million at the end of the previous year.

Assets

Fixed assets before depreciation increased by £14.7 million to £128.7 million. Net capital expenditure by Group companies, particularly Mount Lyell, Renison and Bellambi in Australia, and Amalgamated Roadstone in the United Kingdom, accounted for most of this increase, the remainder being attributable to the inclusion of the assets of new companies joining the Group.

The nature of the Group's activities is such that no realistic assessment can be made of the market value of property held for mining purposes. Estimates have been made in respect of the Group's other properties but the excess of their market value over book value is not regarded as significant in relation to the total value of Group assets.

Investments amounting to £64.3 million compared with £65.6 million in the previous year have been included at or under cost and in no case above stock exchange value. The net decrease of £1.3 million has resulted from the writing down of certain investments.

The stock exchange value of the quoted section of the portfolio at 30 June 1970 was £147 million compared with £169 million a year earlier. This decrease reflects the further decline in share prices on world markets since the peak levels achieved during 1968 and early in 1969.

Net current assets amounted to £37.9 million compared with £27.8 million.

Group assets, including stock exchange values for quoted investments, but excluding special export finance debtors, amounted to £323 million. The percentage distribution of these assets in various areas of the world is shown in the diagram which appears on page 37.

Dividends

The Directors recommend a final dividend of 10½d per 5s ordinary share. With the interim dividend of 7d paid in May, this makes a total of 1s 5½d per share for the year and maintains the total paid last year on the smaller capital then in issue. If the dividend is approved at the Annual General Meeting it will be paid on 27 November 1970 to holders of ordinary shares registered in the books of the Company on 30 October and to holders of Coupon No. 106 detached from share warrants to bearer.

Memorandum and Articles of Association

At the Annual General Meeting shareholders will be asked to consider an amendment to the Articles of Association relating to Directors' fees. These fees have remained unchanged for more than ten years. During that period there has been a very considerable expansion of the Group's activities.

As members will be aware the United Kingdom will change to decimal currency on 15 February 1971 and from that date the ordinary shares of 5s each will have an equivalent par value of 25 new pence. Accordingly, to ensure the correct classification of the shares after decimalisation, shareholders will be asked to pass a resolution reflecting this change.

Interests

The Company's principal activities cover mining finance, investment, exploration and development, the promotion of mining and industrial companies and the management and administration of subsidiary and associated companies.

Comments on Group operations are included on pages 9 to 23. A list of principal subsidiaries, and of Group interests where the equity interest exceeds 10 per cent, appears on pages 38 and 39. Other Group interests are shown on page 40.

Additional information

During the year under review goods to the value of £25.9 million were exported from the United Kingdom by Group companies. This figure relates to only a small part of the Group's business, the major part of which is concerned with operations overseas. As a result of orders placed in the United Kingdom by overseas companies in the Group, goods to the value of £3.7 million were exported in addition to those referred to above.

Information relating to subscriptions and donations, Group turnover and Directors' interests is given on pages 30, 36 and 41, which are to be regarded as part of this report.

Staff

The average number of persons employed by Group companies in the United Kingdom was 7,572 and their aggregate remuneration for the year amounted to £10.5 million. Most of the Group's activities are conducted outside the United Kingdom and, in addition to those in this country, some 85,300 persons were employed by overseas offices and subsidiaries and by associated companies administered by the Group.

The Directors wish to express their appreciation of the loyal services rendered by the officers and employees of the Group and associated companies, both at home and overseas.

Directors

The Board lost the services of two of its members during the year.

Sir Richard Snedden, who died tragically on 9 March 1970, had been a member of the Board since 1954 and his wise counsel contributed greatly during a period of major expansion of the Group.

On giving up his executive appointment with American Zinc, Mr R A Young resigned from the Board on 23 April 1970. The Directors record their appreciation of his services during his period in office.

Dr W J Busschau, Lord Erroll of Hale, Mr W Mason Smith and Mr A R O Williams retire by rotation and offer themselves for re-election.

Auditors

Messrs. Turquand, Youngs & Co., Chartered Accountants, have signified their willingness to continue in office as auditors.

By Order of the Board
J R Stewardson
Secretary

24 October 1970

Salient features

from the accounts of the Group

	1970 £'000	1969 £'000	1968 £'000
Group operating profit	27,775	23,344	16,348
Taxation	10,479	8,678	5,020
Net profit for the year			
after tax and outside shareholders' interests	12,717	11,086	9,033
per 5s ordinary share	2s 11d	2s 10d	2s 6½d
Ordinary dividends			
cost to the Company	6,284	5,662	4,742
per 5s share	1s 5½d	1s 5½d	1s 5d
Shareholders' funds			
Issued capital and reserves	87,000	74,500	72,200
Capital employed			
Shareholders' funds, outside shareholders' interests and debentures and loans	171,800	158,500	133,500
Fixed assets	82,100	74,000	52,600
Net current assets	37,900	27,800	31,200
Quoted investments			
at book value	54,500	57,100	46,700
at stock exchange value	147,000	169,000	197,100



A general view of the West Driefontein reduction plant.

Gold Fields of South Africa Limited

This wholly-owned mining finance company provides managerial and technical services to a large number of mining, investment, finance and industrial companies in southern Africa, in all of which the Group has direct or indirect interests.

Last year most of the base metal holdings of Gold Fields of South Africa were taken over by Vogelstruisbult Gold Mining Areas (now renamed Vogelstruisbult Metal Holdings Limited) in a programme of reorganisation. The process has continued this year and the smaller finance companies of the Group in South Africa have been merged under New Witwatersrand Gold Exploration Company Limited. Gold Fields of South Africa now holds a 35 per cent interest in Vogelstruisbult and 49 per cent in New Witwatersrand.

Because New Witwatersrand ceased to be a subsidiary the consolidated profit before tax fell from £3.6 million to £3.2 million but profit after tax and minority interests rose slightly to £2.3 million.

At 30 June 1970 Gold Fields of South Africa administered one developing and seven producing gold mines, two companies having ceased mining during the year due to exhaustion of ore reserves. Seven companies producing base metals and other minerals were also under its administration.

Gold

The price of gold fell from \$41.22 per ounce on 30 June 1969 to a "low" of \$34.75 in January 1970. Action by the South African Government, following an agreement with the International Monetary Fund, then stabilised the position. The free market subsequently absorbed newly mined gold at prices just above \$35.

Gold production of Group mines rose by 18 per cent to 6.0 million ounces due to increases at Kloof, Libanon and West Driefontein. Although working expenditure was higher by £4.6 million at £51.6 million, combined working profit, including premium sales, was a record £40.8 million compared with £31.6 million. Taxation and State share of profit absorbed £19.2 million and total distributions to shareholders were a record at £13.6 million, an increase of £2.9 million.

New Witwatersrand Gold Exploration Company Limited

In the reorganisation of finance companies, New Witwatersrand acquired Anglo-Rand, Beatrice and Lydenburg Gold Farms. Total assets of the group, including quoted investments at stock exchange value, amounted to £10.0 million at 30 June 1970. Dividend distribution for the year amounted to £539,000.



Left—African miners relaxing.

Bottom right—A game of bowls in progress at a mine on the West Wits Line.



Top right—Selections of industrial equipment manufactured from gold and platinum respectively. They include gold-plated printed circuit boards, fine gold discs for semi-conductors and platinum laboratory instruments.



West Witwatersrand Areas Limited

One of the Group's largest single direct interests in South Africa continues to be its 42 per cent holding in this important company. At 30 June 1970 the market value of its quoted investments was £62.8 million.

Profit after tax rose to £4.2 million compared with £2.9 million, due to higher distributions by the mines and a surplus of £800,000 on realisation of investments. This disinvestment provided the balance of the finance to follow rights in an issue by East Driefontein. The dividend, costing £2.8 million, was unchanged.

West Driefontein Gold Mining Company Limited

This outstanding company, in which the Group's beneficial interest is 21 per cent, produced a record output of 2.6 million ounces from 2.9 million short tons milled, even though the eastern portion of the mine remained flooded.

During the latter part of the year pumping from the flooded area was in excess of 70 million gallons per day. Entry into the area through No. 4 Shaft should be possible at the end of 1970.

Construction of the new uranium and sulphuric acid plants is well advanced and they are expected to be commissioned shortly.

Working revenue, including premium sales of gold, amounted to £40.4 million. This gave a record working profit, despite the flooding, of £24.3 million compared with £16.9 million. The dividend rose from 8s 9d to 11s 8d per share absorbing £8.2 million.

East Driefontein Gold Mining Company Limited

The Group has a beneficial interest of 30 per cent in this developing mine.

Total expenditure from the start of operations to 30 June 1970 amounted to £14.1 million. Since the end of the year the company has made a rights issue to raise approximately £17.5 million. This should be sufficient to finance expenditure to bring the mine to production at a milling rate of 50,000 short tons per month by the end of 1971.

It has been decided to proceed as rapidly as possible with the sinking of No. 2 Shaft to a greater depth than originally planned. This should bring forward the development of the lower levels of the Ventersdorp Contact Reef. Notwithstanding the setbacks it has suffered as a result of the West Driefontein flooding, the mine is expected to reach its target rate of 200,000 short tons per month during 1976 as planned.



Left—No. 5 Shaft at the West Driefontein mine.



Right—Drilling the Ventersdorp Contact Reef on the West Wits Line.

Kloof Gold Mining Company Limited

This company, in which the Group has a beneficial interest of 26 per cent, reached its planned milling rate of 180,000 short tons per month in April 1970. Gold production more than doubled to 970,000 ounces and working profit, including premium sales, rose to £6.4 million. The company made a first distribution of 7d on each ordinary share and combined unit, costing £882,000, and repaid £2.0 million of its loan indebtedness.

Libanon Gold Mining Company Limited

The Group has a 12 per cent beneficial interest in this company. A higher yield of 8.2 dwt per ton compared with 7.5 dwt last year raised working profit, including premium sales, from £3.2 million to £3.9 million. A record dividend was declared absorbing £1.4 million.

Exploration

West Wits continued drilling in the Deelkraal area south of Doornfontein mine. Two further boreholes intersected the Ventersdorp Contact Reef but revealed low gold values. A hole drilled by Western Ultra Deep Levels Limited on an adjoining farm intersected the reef at a depth of 7,897 feet with an average value of 755 inch-dwt. The potentialities of the area will be assessed when the current programme of ten further boreholes has been completed.

The drilling programme initiated this year in the Boskop area, west of Deelkraal, made good progress but there are, as yet, no results to report. West Wits has a 60 per cent interest and Gold Fields of South Africa a 25 per cent interest in this project.

Gold Fields of South Africa continued investigating a number of base metal and non-metallic mineral prospects.

Platinum

Through its interest in the Waterval and Union Platinum companies, the Group's beneficial interest in Rustenburg Platinum Mines Limited, the world's largest producer, is 21 per cent.

Output continued to increase as planned and good progress was made with the further expansion programme, announced in August 1969, to increase capacity to 1.2 million ounces of refined platinum per annum. In November Rustenburg increased its selling price from £50 to £54 5s per ounce.

Rustenburg's profit before tax for the year ended 31 August 1970 amounted to £27.2 million and dividends increased by 17 per cent to £8.0 million. The gross dividend income received by the Group from its investment in platinum for the year to 30 June 1970 amounted to £2.2 million.



Left—Cathodes being lifted out of electrolytic cells at the plant of Zinc Corporation of South Africa.



Right—Vibrating gravity tables in operation in the tin concentrator plant at Rooiberg.

Vanadium and zinc

The South West Africa Company Limited, in which the Group has a beneficial interest of 26 per cent, showed a slight increase in its total profit before tax from £374,000 to £387,000. The mining profit was 17 per cent lower, in spite of better prices for vanadium and zinc concentrates, but dividends from the company's holding in Tsumeb Corporation Limited increased by £41,000 to £256,000.

Kiln Products Limited, which produces zinc oxide concentrates, experienced metallurgical and mechanical difficulties and a working loss of £70,000 was incurred. However, an improvement in operations was apparent towards the end of the financial year. The Group has a 37 per cent interest in this company.

Due to teething troubles and delays in deliveries of concentrates, Zinc Corporation of South Africa Limited, which is 30 per cent beneficially owned by the Group, incurred a loss of £452,000 in its first year of operations to 31 December 1969. These problems have largely been overcome and a profit of £101,000 was made in the half year to 30 June 1970. The rated capacity of the zinc plant is being increased from 3,000 to 4,500 long tons per month and this work is expected to be completed by the end of 1970 at a cost of £875,000.

Coal

The Group has a beneficial interest of 22 per cent in Apex Mines Limited, which operates in the eastern Transvaal.

Working profit for the year ended 31 December 1969 increased to £550,000 compared with £233,000 in the previous year. Profits were lower, however, in the half year ended 30 June 1970 largely because of a number of mechanical breakdowns both in the treatment plant and underground. These difficulties have now been resolved.

Tin

The Rooiberg Minerals Development Company Limited, in which the Group has a beneficial interest of 23 per cent, increased production by 8 per cent to 1,294 long tons of concentrates. Working profit was £764,000 compared with £511,000. This increase results mainly from better tin prices. The expansion programme referred to last year has been completed.

Production by Union Tin Mines Limited, in which the Group's beneficial interest is 15 per cent, declined slightly to 346 long tons of tin in concentrates. Working profit at £172,000 was higher, also as a result of better tin prices. It has been decided to construct a flotation plant to recover additional tin from the tailings of the present treatment process.



A truck dumping ore on the stockpile for the Zwartkloof fluorspar mine. The treatment plant is on the right.

Base metal and minerals investment

Vogelstruisbult Metal Holdings Limited has expanded and diversified its investments in base metals and minerals by acquiring, from other Group companies, interests in Apex Mines, Rooiberg, Union Tin, Zwartkloof Fluorspar and Glenover Phosphate. These acquisitions were financed partly by an issue of shares to the vendors and partly by cash arising from a rights issue. Dividend distributions for the year to 31 December 1969 amounted to £188,000, compared with £147,000 in the previous year.

Glenover Phosphate Limited, in which the Group's beneficial interest is 74 per cent, works a deposit in the northern Transvaal and sells its production under long term contract mainly for fertilizer production in South Africa. It increased its output and working profit rose from £109,000 to £159,000.

Zwartkloof Fluorspar Limited, in which the Group has a beneficial interest of 65 per cent, commenced mining operations during the year.

Star Diamonds (Proprietary) Limited, in which the Group has a beneficial interest of 34 per cent, made a working loss of £54,000 compared with a profit of £38,000 in the previous year, due mainly to a fall in grade and higher working expenditure.

Industrial

G. F. Industrial Holdings Company Limited, in which the Group's beneficial interest is 82 per cent, sold its wholly-owned subsidiary, G. F. Diamond Drilling and Development Company (Proprietary) Limited, to a new company, Gold Fields Cementation Mining Company Limited, in which it now has a 50 per cent holding. The other 50 per cent is held by The Cementation Company (Africa) Limited. The new company will continue the shaft sinking, diamond drilling and other contract mining engineering formerly carried out by the partners.

The remaining companies under the control of G. F. Industrial Holdings manufacture rubber moulded products, rock handling equipment, locomotives and other engineering products.

Total profits before tax of the G. F. Industrial Holdings group, including profit from the sale of investments, amounted to £710,000 compared with £400,000.

Property

During the year the Group's principal property interests in South Africa were concentrated in New Durban Gold and Industrials Limited in which the Group has a beneficial interest of 58 per cent. The consolidated profit for the year rose slightly to £195,000 before tax.

Australasia



Left—The Renison mine in Tasmania.



Right—Loading transport at Bellambi's South Bulli colliery in New South Wales.

Consolidated Gold Fields Australia Limited

The Group's principal interests in Australia and New Zealand are held through Consolidated Gold Fields Australia Limited.

A year ago the Group had a 12 per cent voting interest in Western Titanium NL. This was increased to 84 per cent as a result of a successful bid in November 1969, made partly in cash and partly in shares of Consolidated Gold Fields Australia. In consequence the Group's beneficial interest in the latter company was reduced from 76 per cent to 68 per cent.

The consolidated profit before tax of the company and its subsidiaries amounted to £12.9 million, an increase of 52 per cent on the previous year. Seven months' profits of Western Titanium accounted for £394,000 of the total.

Pre-tax profits of the rest of the Australasian group have more than doubled over the past two years, reflecting the benefits of expansion programmes embarked upon by subsidiary companies, materially assisted by favourable prices for copper and tin.

After deducting tax of £4.5 million and minority interests of £2.7 million, net profit amounted to £5.7 million compared with £4.0 million in 1969. All the major interests of the Group in Australia contributed to this increase.

Coal

Production of washed coal by the Bellambi Coal Company Limited, at its mine south of Sydney was adversely affected by industrial unrest arising from demands for a shorter working week. This led to a shortfall on deliveries to Japan and, together with higher costs, reduced the company's profit before tax from £258,000 to £80,000. All the profit was attributable to coke production. The Group has a 45 per cent beneficial interest in the company.

In April the company acquired the entire issued capital of Corrimall Coke Pty. Limited, which operates a plant near Bellambi's mine.

Tin

A better tin content of ore treated by Renison Limited, in which the beneficial interest is 33 per cent, together with higher prices for tin concentrates, led to a sharp rise in pre-tax profit from £897,000 to £1.4 million. A marginal increase in tonnage milled and the higher grade resulted in the production of 2,800 tons of tin in concentrates, an increase of 24 per cent.

As a result of encouraging tests directed towards improved recovery of fine tin, a new 10,000 ton per month cassiterite flotation plant was brought into commission at the end of the year as part of the treatment circuit.



Left—Mining heavy minerals with a high pressure monitor at Western Titanium's property in Western Australia.



Right—Adjusting an electrostatic separator for rutile and zircon production by Associated Minerals on the east coast of Australia.

Ilmenite, rutile and zircon

Acquisition of a majority shareholding in Western Titanium, in which the Group now has a 55 per cent beneficial interest, strengthened the overall position in titanium minerals. The company's main product is ilmenite, with lesser quantities of rutile, zircon and rare earth minerals from beach sand deposits in the Bunbury area of Western Australia. Reserves are sufficient for many years. The company has also pioneered the production of synthetic rutile from ilmenite. In the seven months following acquisition 139,000 tons of ilmenite were produced and pre-tax profit amounted to £394,000.

Associated Minerals Consolidated Limited, which is 41 per cent beneficially owned, further enhanced its position as the world's largest producer of rutile and zircon. Production of rutile increased from 100,700 to 123,400 tons and that of zircon from 91,600 to 109,400 tons. The first full year's production from Titanium and Zirconium Industries Pty. Limited since its acquisition, accounted for much of this increase. Profit before tax rose by 24 per cent to a new record of over £1.4 million.

Demand for rutile remained at a high level. While the ilmenite position was also sound, the zircon market appeared slightly weaker at the year-end.

Industrial

The industrial companies, Zip Holdings Limited – 35 per cent beneficial interest – and Lawrenson Alumasc Holdings Limited – 34 per cent beneficial interest, showed minor changes in earnings and their combined profit before tax rose slightly to £170,000.

Iron ore

Consolidated Gold Fields Australia, Cyprus Mines Corporation and Utah Development Company are equal partners in the Mount Goldsworthy joint venture, which mines high-grade iron ore in Western Australia.

Shipments for the year increased as planned from 4.6 million tons to 5.9 million tons, making a total of 16.9 million tons since the start of operations in 1966. The proportion of profit before tax attributable to Consolidated Gold Fields Australia increased from £2.3 million to £3.7 million.

Additional sales contracts were concluded with Japanese steel mills for a further 52 million tons of ore valued at £210 million. These will raise annual sales to 8 million tons by 1973 and extend deliveries up to 1980. They will involve lengthening the railway and bringing in additional deposits.



Blasting in the open-cut at the Mount Lyell mine in Tasmania.



The sulphuric acid plant of North-West Acid Pty. at Burnie, Tasmania, the largest of its kind in Australia.

Copper

Operations of The Mount Lyell Mining and Railway Company Limited at Queenstown, Tasmania, in which the Group beneficial interest is 38 per cent, resulted in a new record profit before tax of £4.2 million compared with £2.0 million. A further improvement in grade of ore treated gave an increase of 2,400 tons in production to 17,900 tons of copper in concentrates, but the major contributing factor to the better profit was the higher average copper price. The company's smelter, which was no longer economic, was closed in December 1969. The first shipments of concentrates under the contract with Mitsubishi Metal Mining Co. Ltd. were made towards the end of the year.

Work continued on a programme of construction and underground development to increase annual copper production to about 25,000 tons by 1973. Exploration during the year indicated likely additions to ore reserves.

Sulphuric acid

The sulphuric acid plant of North-West Acid Pty. Ltd., in which Mount Lyell has a 50 per cent interest, commenced production in April 1970. This new development, which has been financed mainly by bank loans, was completed within the estimated capital cost of £6.5 million.

Mining finance

The total surplus of Commonwealth Mining Investments (Australia) Limited rose from £1.3 million to £1.8 million before tax largely due to an increase of 45 per cent to £1.5 million in the surplus on realisation of investments. The company reported a new profit record for the third consecutive year.

Net asset value of the company, including investments at market value, amounted to £12.3 million compared with £10.6 million last year. The investment portfolio covers a wide range of minerals and industries in Australia, North America and South Africa and more than half of its market value was represented by titanium, nickel and copper stocks.

Exploration

Exploration activities over the past year were again concentrated mainly on efforts to find nickel deposits in Western Australia, but so far no important discoveries have been made.

In Tasmania work has continued at the Mount Tyndall and North Dundas base metal prospects and exploration for coal is in progress in eastern Australia. In the Hunter Valley in New South Wales this is being carried out in equal partnership with Dalgety Australia Limited.

Canada

Newconex Holdings Limited

This company, in which a 59 per cent interest is held, remains the Group's principal vehicle for investment in Canadian mining, exploration, industry and finance.

Because of variations in the exchange rate between the Canadian dollar and sterling during the year the figures in this section are quoted in both currencies.

The total surplus before tax fell from £891,000 (\$2,314,000) in 1969 to £660,000 (\$1,634,000).

Market conditions offered fewer opportunities for realising gains from the investment portfolio and net realised appreciation was lower at £87,000 (\$216,000) compared with £311,000 (\$806,000).

The net asset value at 30 June 1970 amounted to £6.2 million (\$15.3 million), a reduction of 12 per cent, reflecting the decline in world security markets.

The industrial subsidiaries, Pacific Truck and Trailer Manufacturing Limited and Vancouver Equipment Corporation Limited, had an active year. Both companies, however, returned slightly lower profits due to the slowing down of economic activity in British Columbia in which recent labour unrest was a major factor.

Pacific Truck and Trailer was successful in acquiring increased orders for logging trucks from overseas customers and Vancouver Equipment Corporation has extended its agencies by obtaining the distribution rights for tractors produced by the Komatsu Company of Japan.

There were no significant developments during the year on the mineral properties in which Newconex Holdings has a direct interest and no further work is planned at present on the Coppermine River Limited claims in the Northwest Territories. Discussions are, however, being held with another major mining company with a view to bringing to production the Buffalo River Exploration Limited lead-zinc properties in the same territory. Newconex has a 46 per cent stake in Buffalo River.

Newconex Canadian Exploration Limited

This wholly-owned subsidiary continued its programme of mineral exploration during the year and a number of properties were examined. Some of these merit further investigation.



Left—A Newconex geologist at a base camp in northern Canada.



Right—Geological equipment being taken by sledge to an exploration team.

United States of America

Gold Fields American Corporation

Gold Fields American Corporation represents the Group in the United States and is wholly owned. It holds a majority interest in the New Market Zinc mine in Tennessee which is managed by American Zinc. Both tonnage and grade of ore milled at this mine fell but sales revenue increased overall due to a better zinc price. This resulted in a higher profit before tax of £98,000 compared with £52,000. Work is in progress to increase mill capacity.

American Zinc Company

The Group has a 60 per cent interest in this company whose business is primarily the mining, processing and marketing of zinc and zinc by-products. It also produces crushed stone, river sand and gravel and ready-mixed concrete.

The average market price for zinc rose by 1.5 cents to 15.3 cents per lb and some profits were made in the first two quarters. Difficult trading conditions, however, then restricted metal sales and stocks built up seriously. In consequence total sales revenue for the year declined to £27.7 million from £28.3 million. Results for the year were again disappointing and, although there was an improvement in operating profits, this was more than offset by the cost of carrying excess inventories, higher interest rates and pension charges and the writing down of property and inventory values.

After taking credit for extraordinary income of £242,000, the company suffered a net loss of £760,000, as against a loss of £780,000 for the previous year.

The company re-negotiated the terms of its major bank loan, which had been reduced to £7.6 million by the start of the year. As consideration for a lower rate of repayments, which are now to be £833,000 per annum, and other improved conditions, a higher interest rate was accepted and Consolidated Gold Fields guaranteed the final instalment of £3.2 million due on 30 September 1974.

Underground development has been accelerated to enable the other mines in Tennessee to replace the tonnage produced by the No. 2 Mine, at which the payable ore is nearly worked out.

Buell Engineering Company, Inc.

Buell, which is wholly-owned, maintained its position as a supplier of air pollution control equipment. Sales rose by 18.5 per cent to a new record level but, in a highly competitive environment, profits were about the same as in the previous year.



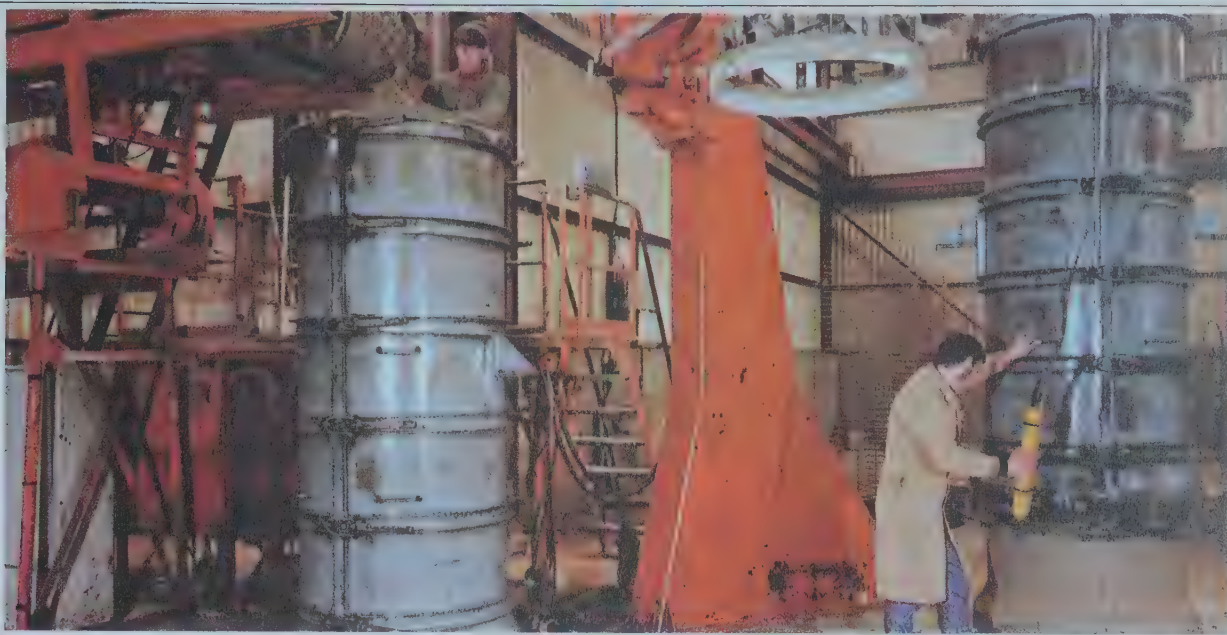
Left—Miners preparing to descend in a shaft cage at one of the American Zinc mines in Tennessee.

Right—A French process zinc furnace at the Hillsboro plant of American Zinc.

United Kingdom



Unloading a cargo of stone from the Cornish quarries of Amalgamated Roadstone Corporation at the group's Greenwich depot. The 'Stirlingbrook' is one of two ships recently built for its subsidiary, Comben Longstaff.



Concrete pipes being made by ARC (Concrete) Limited at Mells in Somerset.

Construction materials

Amalgamated Roadstone Corporation Limited, which is wholly-owned, continued to strengthen and expand the Group interests in the construction materials industry.

Eight divisional offices of the aggregates section of the company in England and Wales control more than 100 operating units. They are involved in all aspects of the extraction, sizing and coating of stone from the company's quarries and sand and gravel pits for sale and distribution to the building and road construction industries. A proportion of the stone produced is used at many of the units in the manufacture of ready-mixed concrete and precast concrete kerbs and slabs. Two subsidiaries in this section, each working two quarries, operate in Northern Ireland and Barbados respectively.

Other subsidiaries of Amalgamated Roadstone work closely with the aggregates section. The road surfacing company, Roads Reconstruction (Contracting) Limited is the largest customer for its coated roadstone. ARC (Concrete) Limited specialises in making concrete pipes, using large quantities of group aggregates, and Comben Longstaff & Company Limited carries stone by sea from the group's Cornish quarries, as well as other bulk cargoes in European waters.

Also in the group are Concrete Pipes Limited, based in Eire, and Greenwoods Transport Limited which owns warehouses and operates a general haulage fleet.

Profit before tax of the Amalgamated Roadstone group, including managed companies which Consolidated Gold Fields still owns directly, was £1.6 million, after charging £1.1 million interest. Because of changes in accounting periods it is difficult to make comparisons but the total profit before tax in the previous year was approximately £1.4 million after interest amounting to £770,000. Total group turnover increased to £31.3 million from £28.7 million.

Sustained periods of rain or frost have a substantial effect on profitability and last winter was unusually wet. Trading conditions were further depressed by the general recession in housing and road construction. This was caused partly by the Government policy of restricting expenditure on road maintenance and partly by difficult financial conditions in the private sector created by the credit squeeze. However, this spring and early summer brought better than average weather, enabling full advantage to be taken of the opportunities provided by the motorway programme. The aggregates divisions contributed an improved £2.1 million before interest and tax to group profits.



Left—The ferro-alloy works at Aalvik, Norway, of A/S Bjølvefossen, an interest of the Tennant group.



Right—M. Gaston Thorn, Luxembourg's Minister of State for Foreign Affairs, formally opening Alumasc's factory in the Grand Duchy.

ARC (Concrete) is subject to the same influences as the aggregates divisions and showed a 30 per cent increase in operating profit at £221,000 before interest and tax. Concrete Pipes, however, received a major set-back from a prolonged strike in the Irish cement industry and incurred losses which nearly eliminated the good profits earned in the early months of the year.

Comben Longstaff brought two new ships into service and its operating profit advanced sharply to £260,000 compared with £133,000 last year. Greenwoods Transport also had an excellent year. Vigorous action was taken to deal with loss making sections of the business and operating profits were trebled at £204,000.

Capital expenditure to increase capacity and improve operating efficiency continued at a high level. A new aggregates plant was commissioned at Tytherington in Gloucestershire, a second asphalt plant was installed at Chipping Sodbury, and crushing and screening capacity was increased at the new Frome quarry in Somerset. These projects assisted the company to meet a large share of the surge in demand for roadstone for the M3, M4 and M5 motorways during the summer months. Capacity was also expanded at the gravel plant at Stanway in Essex, at Lydd in Kent and Block Fen in the Isle of Ely.

Stone reserves were increased by acquisitions of limestone at Nant Mawr in North Wales and gravel land at Great Linford in Buckinghamshire. Other projects included new ready-mixed concrete plants in Devon and Cornwall and additional equipment in the concrete pipes factories at Mells in Somerset and at Naas and Limerick in Eire. Greenwoods Transport has also continued to expand by building two more warehouses. Capital expenditure for the year for renewals and additions was £4.0 million before deducting Government grants.

Commercial

C. Tennant, Sons & Company Limited, which is wholly-owned, earned higher profits before tax at £661,000 compared with £523,000. The two main subsidiaries Tennant Trading Limited and Tennant Guaranty Limited, both achieved record earnings on substantially higher turnover.

The increase in profits of Tennant Trading arose chiefly as a result of greater turnover in alloys, metals and chemicals. Profit before tax rose by £62,000 to £412,000.

The turnover of Tennant Guaranty was £17.1 million compared with £12.1 million last year, and the profit before tax was nearly doubled at £161,000.



Left—The new crushing and screening plant at Amalgamated Roadstone's Tytherington quarry in Gloucestershire.

Right—Mr. J. D. McCall, Gold Fields' Chairman (right foreground), about to inaugurate the Tytherington plant.

Industrial

The combined turnover of the United Kingdom industrial subsidiaries of the Group, most of which are wholly-owned, rose by £884,000 to £6.5 million and profits before tax totalled £891,000 compared with £686,000.

Alumasc Limited, the most important company under this heading, designs and manufactures cast and pressed products in aluminium and other non-ferrous metals particularly for the brewing industry and also for a widening range of other customers. Production capacity at the company's factory at Burton Latimer in Northamptonshire has been further increased and the new factory in Luxembourg recently commenced operations.

Tin

Good progress has been made by Wheal Jane Limited, a wholly-owned subsidiary, in preparing its mine near Truro in Cornwall for production early in the second half of 1971. Underground development from the existing shaft is well up to schedule. This work is confirming earlier estimates of the payability and width of the orebody and also the expected grade of just over one per cent tin metal, with supplementary zinc and copper. A second shaft is being sunk and mill and other surface buildings are under construction. About a hundred houses for employees are being built in Truro.

It is estimated that capital expenditure at Wheal Jane will reach £6 million by the end of 1971 before allowing for Government grants.

Exploration

The Company continued to be active in the search for base metals in various parts of the United Kingdom and Eire.

Exploration in this country is still greatly hampered by the many difficulties in acquiring adequate prospecting and mining rights, but a helpful first step by Government during the year was the passing of new legislation to reduce the tax burden on mineral owners in respect of royalty payments from mining companies.

A leading feature of the year's activities has been a major programme of exploration for base metals in Aberdeenshire and adjoining counties. This work is being carried out by Exploration Ventures Limited, a company owned equally by Consolidated Gold Fields and Rio Tinto-Zinc.

Exploration Ventures has commenced a long term regional survey of an area covering several hundred square miles over which prospecting rights have been negotiated. Longer term mineral agreements are now being entered into. If further work gives encouragement substantial expenditure is envisaged.

Report of the auditors

To the members of
Consolidated Gold Fields Limited

In our opinion the accounts on pages 25 to 34 (incorporating the accounts of the Company's subsidiaries some of which have been audited by other firms) have been properly prepared in accordance with the provisions of the Companies Acts, 1948 and 1967, and give a true and fair view of the state of affairs of the Company at 30 June 1970 and, so far as concerns members of the Company, of the state of affairs and the profit of the Group.

Turquand, Youngs & Co
Chartered Accountants

4 Coleman Street
London EC2
6 October 1970

Group profit and loss account

Consolidated Gold Fields Limited
and subsidiaries

year ended 30 June 1970

	Note	1970		1969	
		£'000	£'000	£'000	£'000
Revenue					
Dividends and interest on investments	1		9,383		8,125
Profit on realisation of investments	2		6,279		8,007
Net revenue of:					
Industrial and commercial companies			3,158		2,497
Mining and quarrying companies			13,877		8,384
Fees and sundry revenue			4,572		4,646
			37,269		31,659
<i>Less:</i>					
Administration, technical and general expenses		5,499		5,083	
Debenture and loan interest	3	3,995	9,494	3,232	8,315
Profit before taxation			27,775		23,344
Taxation	4		10,479		8,678
Net profit for the year			17,296		14,666
Attributable to outside shareholders			4,579		3,580
Attributable to the members of Consolidated Gold Fields Limited			12,717		11,086
Unappropriated profits brought forward	5		1,542		2,272
Available for appropriation			14,259		13,358
Appropriation to Investment and Exploration Reserve		6,825		5,798	
Dividends paid and recommended by Consolidated Gold Fields Limited—gross	6	6,364	13,189	5,807	11,605
Unappropriated profits carried forward			1,070		1,753

These accounts should be read in conjunction
with the notes on pages 28 to 34

Group balance sheet

at 30 June 1970

Consolidated Gold Fields Limited
and subsidiaries

	Note	1970		1969	
		£'000	£'000	£'000	£'000
Assets employed					
Fixed assets	12		82,172		74,090
Investments*	13		64,315		65,630
Current assets					
Stocks	15	21,759		18,049	
Debtors		51,019		44,706	
Cash and deposits		23,671		18,575	
		<u>96,449</u>		<u>81,330</u>	
Current liabilities					
Creditors	16	37,877		35,475	
Bank overdrafts		20,672		17,977	
		<u>58,549</u>		<u>53,452</u>	
Net current assets			37,900		27,878
			184,387		167,598
Financed by					
Capital and reserves					
Issued capital	17		22,689		20,554
Reserves	18		64,346		53,957
			<u>87,035</u>		<u>74,511</u>
Outside shareholders' interests			32,371		29,690
Debtures and loans	19		52,460		54,398
Deferred liabilities	20		12,521		8,999
			184,387		167,598

*The stock exchange value of quoted investments exceeded their book value included above by

92,465

111,936

These accounts should be read in conjunction with the notes on pages 28 to 34

Company balance sheet

Consolidated Gold Fields Limited

at 30 June 1970

	Note	1970		1969	
		£'000	£'000	£'000	£'000
Assets employed					
Fixed assets	12		382		367
Investments*	13		20,517		22,943
Subsidiary companies	14		98,115		93,961
Current assets					
Debtors		3,836		2,353	
Cash and deposits		13,929		4,500	
		17,765		6,853	
Current liabilities					
Creditors	16	7,152		6,012	
Net current assets			10,613		841
			129,627		118,112
Financed by					
Capital and reserves					
Issued capital	17		22,689		20,554
Reserves	18		81,529		70,042
			104,218		90,596
Debentures and loans	19		25,409		27,516
			129,627		118,112

*The stock exchange value of quoted investments exceeded their book value included above by

69,048

74,154

J. D. McCall *Director*

R. A. Hope *Director*

These accounts should be read in conjunction with the notes on pages 28 to 34

Notes to the accounts

1 Dividends and interest on investments

The Group income from this source was divided as between:

	1970 £'000	1969 £'000
Quoted investments	8,930	7,656
Unquoted investments	453	469
	<u>9,383</u>	<u>8,125</u>

2 Profit on realisation of investments

This item includes £471,000 (~~£208,000~~) recovered in respect of amounts previously written off which, under the provisions of the Companies Acts 1948 and 1967, is regarded as drawn from reserves

3 Interest payable

The Group charge for the year comprised interest on:

	1970 £'000	1969 £'000
(a) Debentures and loans:		
Bank loans	2,272	1,890
Other debentures and loans:		
repayable wholly within five years	95	261
other	1,628	1,081
As shown in Group profit and loss account	<u>3,995</u>	<u>3,232</u>

(b) Bank overdrafts:
Interest payable by the Group on bank overdrafts amounted to £1,484,000 (~~£1,205,000~~)

4 Taxation

The Group charge comprised:

	1970 £'000	1969 £'000
Overseas taxation	8,647	6,576
United Kingdom Corporation Tax at 45% (45%)	1,646	2,246
	<u>10,293</u>	<u>8,822</u>
Add: Previously underprovided	240	(24)
Less: Overspill relief	54	120
	<u>186</u>	<u>(144)</u>
	<u>10,479</u>	<u>8,678</u>

The United Kingdom tax charge shown above is after deducting relief in respect of double taxation amounting to £3,658,000 (~~£2,894,000~~)

Additional taxation would arise in the event of:

- Distribution of profits from certain subsidiary companies abroad
- Disposal of investments at the valuations stated

The close company provisions of the Finance Act 1965 do not apply to the Company

5 Group unappropriated profits brought forward

This item has been decreased by £211,000, resulting from variation in the interests in subsidiary companies

6 Dividends paid and recommended

	1970 £'000	1969 £'000
Preference 7% per annum	80	145
Ordinary interim dividend of 7d per share (7d) paid 15 May 1970	2,513	2,265
Ordinary final dividend of 10½d per share (10½d) now recommended	3,771	3,397
	<u>6,364</u>	<u>5,807</u>

7 Hire of plant and machinery

The charge to Group revenue for the year was £707,000 (£404,000)

8 Directors' emoluments

The total emoluments of the Directors of the parent company comprised:

	1970 £'000	1969 £'000
Fees, including £37,000 (£35,000) paid by subsidiary companies	60	55
Executive remuneration, including £113,000 (£101,000) paid by subsidiary companies	366	339
	<u>426</u>	<u>394</u>

The emoluments (other than pension contributions) of those Directors whose duties were wholly or mainly discharged in the United Kingdom were as indicated below:

	Number of Directors	
	1970	1969
Not exceeding £2,500	5	6
Between £2,500 and £5,000	1	3
Between £5,000 and £10,000	1	2
Between £10,000 and £12,500	2	2
Between £12,500 and £15,000	1	2
Between £15,000 and £17,500	1	1
Between £17,500 and £20,000	2	—
Between £20,000 and £22,500	—	1
Between £22,500 and £25,000	1	—
Between £25,000 and £30,000	1	—
Between £30,000 and £32,500	1	—
Between £32,500 and £35,000	1	—
Between £35,000 and £40,000	—	1
Between £40,000 and £42,500	—	1
Between £42,500 and £60,000	—	—
Between £60,000 and £62,500	—	—
	<u>16</u>	<u>18</u>

Two Directors served as Chairman during the year and their emoluments whilst serving in that capacity were as follows:

Sir George Harvie-Watt: three months ended 30 September 1969,

£15,364 (Year ended 30 June 1969, £61,135)

Mr J D McCall: nine months ended 30 June 1970, £34,117

Pensions paid in respect of past executive services amounted to £6,000 (£9,000)

9 Auditors' remuneration

The Group charge for the year amounted to £138,000 (£133,000)

10

Subscriptions and donations

A total of £2,269 (£3,049) was given for charitable purposes by group companies in the United Kingdom. Of this a considerable part was paid to organisations whose activities were closely connected with the Company's interests

11

Parent company's profit

Of the profit of £12,717,000 (£11,086,000) attributable to the members of Consolidated Gold Fields Limited £7,715,000 (£5,761,000) has been dealt with in the accounts of that company

12

Fixed assets

	Parent	Group			Total
	Total	Property	Mining leases and development	Plant and machinery	
	£'000	£'000	£'000	£'000	£'000
Cost or valuation:					
At 1 July 1969	628	26,183	10,508	77,317	114,008
New subsidiaries	—	595	346	2,827	3,768
Capital expenditure	58	2,090	2,435	11,344	15,869
	686	28,868	13,289	91,488	133,645
Less: Disposals	6	995	587	3,352	4,934
At 30 June 1970	680	27,873	12,702	88,136	128,711
Depreciation:					
At 1 July 1969	261	5,714	1,784	32,420	39,918
New subsidiaries	—	143	191	973	1,307
Charged to profit and loss account (1969: Group £6,331,000)	40	634	848	6,270	7,752
	301	6,491	2,823	39,663	48,977
Less: On disposals	3	101	408	1,929	2,438
At 30 June 1970	298	6,390	2,415	37,734	46,539
Net balance sheet value	382	21,483	10,287	50,402	82,172

United Kingdom Investment Grants received have been applied against the cost of the fixed assets

At 30 June 1970, the fixed assets of the Group, before deducting depreciation, were made up as follows:

	£'000	£'000
At cost		125,667
By reference to valuations in the following years:		
1937	165	
1956	440	
1958	383	
1959	160	
1961	118	
1963	1,657	
1965	121	
	3,044	
		128,711

The Property of the Group comprised the following:

	1970 £'000	1969 £'000
Cost or valuation:		
Freehold	25,331	23,857
Leasehold—50 years or more unexpired	197	193
Leasehold—short	2,345	2,133
	27,873	26,183

13

Investments

	Parent		Group	
	1970 £'000	1969 £'000	1970 £'000	1969 £'000
Quoted	20,139	22,726	54,580	57,138
Unquoted	251	177	8,543	7,483
Properties and ventures	127	40	1,192	1,009
	<u>20,517</u>	<u>22,943</u>	<u>64,315</u>	<u>65,630</u>
Stock exchange value of quoted investments	89,187	96,880	147,045	169,074

Quoted investments are included at or under cost but in no case above the stock exchange value at 30 June 1970. The Directors have considered it desirable to retain the book value of certain holdings below both cost and stock exchange values. Unquoted investments, valued by the Directors at £292,000 (£663,000) in the case of the parent company and £9,758,000 (£8,881,000) for the Group, and properties and ventures are included at cost less amounts written off

The book value of investments quoted outside the United Kingdom was:

Parent £2,678,000 (£2,482,000)
Group £17,160,000 (£18,909,000)

Of the surplus of the stock exchange value of the quoted investments over their book value as shown in the Group balance sheet, £2,662,000 (£5,766,000) is attributable to the outside shareholders in subsidiary companies

Amounts written off investments by the parent company have been charged to investment and exploration reserve. In the case of the Group investments, in addition to the amount charged to Group investment and exploration reserve (see Note 18(b)), £672,000 (£375,000) has been charged to outside shareholders' interests

14

Subsidiary companies

	1970 £'000	1969 £'000
Shares at cost less amounts written off	77,042	65,001
Advances, less provisions	22,090	29,152
	<u>99,132</u>	<u>94,153</u>
Less: Amounts due	1,017	192
	<u>98,115</u>	<u>93,961</u>

15

Stocks

Stocks, which include work in progress, are shown at the lower of cost or realisable value

16

Creditors

	Parent		Group	
	1970 £'000	1969 £'000	1970 £'000	1969 £'000
Creditors	2,891	2,363	29,032	28,001
Taxation, including United Kingdom Corporation Tax payable 1 January 1971	490	252	5,074	4,077
Proposed final ordinary dividend — gross	3,771	3,397	3,771	3,397
	<u>7,152</u>	<u>6,012</u>	<u>37,877</u>	<u>35,475</u>

Capital

	1970 £'000	1969 £'000
Authorised:		
95,425,888 Ordinary shares of 5s each	23,857	23,857
679,393 7% First cumulative preference shares of £1 each	679	679
464,135 7% Second cumulative preference shares of £1 each	464	464
	<u>25,000</u>	<u>25,000</u>
Issued and fully paid:		
86,185,236 Ordinary shares of 5s each	21,546	19,411
679,393 7% First cumulative preference shares of £1 each	679	679
464,135 7% Second cumulative preference shares of £1 each	464	464
	<u>22,689</u>	<u>20,554</u>

Reserves**(a) Not available for distribution:**

In arriving at the figure included in the Group balance sheet, the excess of the cost of shares in subsidiary companies over the book value of their net assets at the dates of acquisition (less other non-distributable group reserves) has been deducted as shown in the second column below:

	Share premium of parent company £'000	Deductions £'000	As included in Group balance sheet £'000
Balance at 1 July 1969	65,067	30,603	34,464
Add: Premium on shares issued during year, less expenses	12,867		
Excess of cost of shares in subsidiaries acquired during the year over the book value of their net assets at the dates of acquisition		1,365	
Adjustments arising from variations in shareholdings in subsidiaries		1,297	
Amounts written off interests in subsidiaries, effects of alteration in exchange rate and sundry adjustments		(2,629)	
Balance at 30 June 1970	77,934	30,636	47,298

(b) Profits retained:

	Parent £'000 £'000		Group £'000 £'000	
General Reserve:				
Balance at 1 July 1969	3,250		13,316	
Less: Transfer to investment and exploration reserve	1,000		1,750	
Transfer to outside shareholders' interests	—		410	
Balance at 30 June 1970	<u>—</u>	2,250	<u>—</u>	11,156
Investment and Exploration Reserve:				
Balance at 1 July 1969	1,327		4,424	
Add: Transfer from general reserve	1,000		1,750	
Transfer from profit and loss account	1,350		6,825	
	<u>3,677</u>		<u>12,999</u>	
Less: Written off investments, including subsidiary companies	2,403		7,223	
Exploration expenditure written off less recovered	328		670	
Transfer to outside shareholders' interests	—		284	
Balance at 30 June 1970	<u>—</u>	946	<u>—</u>	4,822
Profit and loss account:				
Balance at 30 June 1970 unappropriated		399		1,070
		<u>3,595</u>		<u>17,048</u>
Add: Reserves not available for distribution, as above		77,934		47,298
Total reserves as shown in balance sheets		<u>81,529</u>		<u>64,346</u>

Under a loan agreement between the Company and a consortium of American banks, the aggregate amount of dividends payable by the Company in respect of any one financial period is limited to the net Group profit available to the members for that period

Debentures and loans

	Parent		Group	
	1970 £'000	1969 £'000	1970 £'000	1969 £'000
Secured:				
7 $\frac{1}{4}$ % Guaranteed Debenture Stock 1980/85	—	—	4,165	4,484
6% Debenture Stock 1983/88	—	—	1,153	1,238
6 $\frac{3}{4}$ % Debenture Stock 1985/90	—	—	1,249	1,263
7 $\frac{1}{4}$ % Debenture Stock 1986/91	—	—	999	1,016
Bank loans	2,143	2,083	5,735	2,837
Other debentures and loans:				
repayable either wholly or in part more than five years hence	—	—	913	1,030
repayable wholly within five years	—	—	279	194
	2,143	2,083	14,493	12,062
Unsecured:				
6 $\frac{1}{2}$ % Loan Stock 1987/92	1,712	1,712	1,712	1,712
8 $\frac{1}{4}$ % Loan Stock 1988/93	8,698	8,698	8,698	8,698
7 $\frac{3}{4}$ % Loan Stock 1999/2004	1,856	1,856	1,856	1,856
Bank loans	11,000	12,000	24,610	27,648
Other debentures and loans:				
repayable either wholly or in part more than five years hence	—	—	722	790
repayable wholly within five years	—	1,167	369	1,632
	25,409	27,516	52,460	54,398
Territorial analysis:				
United Kingdom	17,909	18,849	28,817	29,493
North America	7,500	7,500	20,285	20,889
South Africa	—	1,167	2,374	3,470
Australasia	—	—	984	546
	25,409	27,516	52,460	54,398

The interest rates on 'Other debentures and loans' included above, at 30 June 1970, ranged from nil to 8 $\frac{1}{2}$ % p.a. and repayments are due at varying dates up to 1991

Deferred liabilities

	Group	
	1970 £'000	1969 £'000
Taxation	11,513	8,002
Pensions	936	901
Purchase of mining properties	72	96
	12,521	8,999

The item 'Taxation' includes £10,199,000 (£5,657,000) set aside by group companies for the purpose of avoiding undue fluctuations in taxation charges and £1,046,000 (£2,115,000) in respect of United Kingdom Corporation Tax payable 1 January 1972

Secured liabilities

	Group	
	1970 £'000	1969 £'000
Debentures and loans	14,493	12,062
Creditors	971	553
Bank overdrafts	11,047	14,108
Purchase of mining properties	—	8
	26,511	26,731

22 Borrowing powers

Included in secured liabilities (see Note 21) are borrowings by the Tennant group of companies to provide export finance facilities for United Kingdom industry. To the extent that such borrowings are secured by a British Government department they are not required to be taken into account when determining the limitation placed by the Company's Articles upon the borrowing powers of the Group. At 30 June 1970, the total amount to be thus excluded was £8.25 million (£9.25 million)

23 Contingent liabilities

	Parent		Group	
	1970 £'000	1969 £'000	1970 £'000	1969 £'000
Guarantees:				
in respect of borrowings by subsidiary companies	12,618	8,742	—	—
other	—	—	4,765	491
Obligations to associated company including those under contract	—	—	11,853	6,300
Loan facilities, uncalled capital on investments, etc.	—	1,084	1,361	1,250
	12,618	9,826	17,979	8,041

24 Capital commitments

	Parent		Group	
	1970 £'000	1969 £'000	1970 £'000	1969 £'000
Contracts for capital expenditure not provided for	—	—	8,767	3,368
Capital expenditure approved by the boards of the companies concerned, but for which contracts had not been placed	—	45	4,756	8,631
	—	45	13,523	11,999

25 Currencies

- (a) United States currency has been converted into sterling at \$2.40 to the £
- (b) Investment dollars have been converted at the premium rate ruling at 30 June 1970
- (c) All other currencies have been converted at the rates ruling at 30 June 1970

Where applicable, the stock exchange value of the quoted investments takes into account the investment dollar premium

26 Additional information

Additional statutory information in compliance with the Companies Act 1967 will be found as follows:

Group turnover and profit—page 36

Principal subsidiary companies and principal interests of the parent company—included with the information on pages 38 and 39

Source and disposition of Group funds

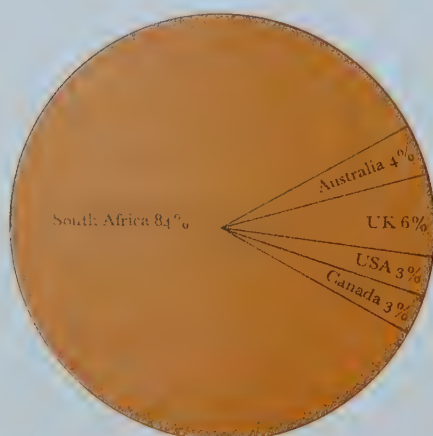
Source of funds	£'000
Net income	17,296
Depreciation of fixed assets	7,752
Deferred taxation and provisions, increase	2,866
Capital raised by group companies	15,038
Sundry sources	101
	43,053
Disposition of funds	
Dividends paid: by parent company	6,364
to outside shareholders of subsidiaries	1,325
	7,689
Portfolio and other investment	7,368
Expenditure on fixed assets	14,796
Long term debt, decrease	2,196
Exploration	982
Increase in net current assets	10,022
	43,053

Group turnover and profit

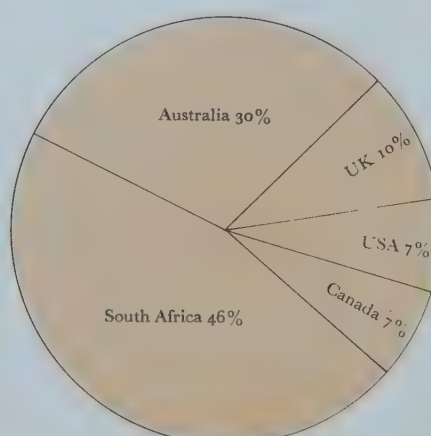
	1970		1969	
	Turnover	Profit	Turnover	Profit
	£'000	£'000	£'000	£'000
Dividends and interest from non-subsidiary companies	9,383	9,383	8,125	8,125
Realisation of investments	20,355	6,279	25,056	8,007
Industrial and commercial subsidiary companies:				
Sales of manufactured goods	31,972	2,545	27,925	2,057
Agency, financing and confirming sales	49,202	613	41,044	440
Mining and quarrying subsidiary companies:				
Sales of products and services	94,744	13,877	80,170	8,384
Fees and sundry revenue	4,572	4,572	4,646	4,646
Turnover, and profit before expenses, interest and taxation	210,228	37,269	186,966	31,659
<i>Less</i> : Administration, technical and general expenses		5,499		5,083
Debenture and loan interest		3,995		3,232
Turnover, and profit before taxation	210,228	27,775	186,966	23,344

Territorial distribution 1970

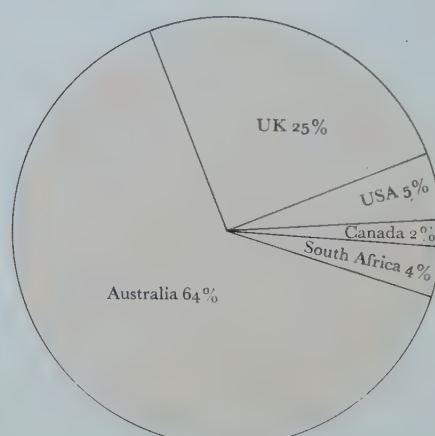
Dividends and interest from non-subsidiaries
£9.3 million



Profits on realisation of investments
£6.2 million



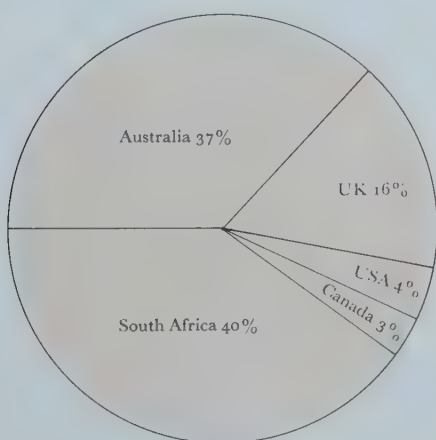
Profits of industrial, commercial, mining and quarrying subsidiaries £17.0 million



Analysis of Group revenue

	Australia	Canada	South Africa	UK	USA	Total
	%	%	%	%	%	%
Copper	11	—	—	—	—	11
Gold	—	—	20	—	—	20
Iron ore	9	—	—	—	—	9
Platinum	—	—	6	—	—	6
Rutile and zircon	5	—	—	—	—	5
Stone	—	—	—	7	—	7
Tin	4	—	1	—	—	5
Other metals and minerals	—	1	1	—	2	4
Industrial and commercial	3	1	4	7	1	16
	32	2	32	14	3	83
Share dealing profits	5	1	8	2	1	17
Area totals	37	3	40	16	4	100

Total revenue £37.2 million
including fees and sundry revenue



Group assets £323 million



Principal subsidiary companies and principal Group interests

in which the equity interest exceeds 10%

	Direct interests		Beneficial interest of parent in equity†	Principal activities
	Parent %	Parent and subsidiaries %	%	
South Africa				
Gold Fields of South Africa Ltd	100	100	100	Finance and management
New Witwatersrand Gold Exploration Co Ltd	–	49	49	Mining finance
West Witwatersrand Areas Ltd	35	42	42	
Doornfontein Gold Mining Co Ltd	12	12	12	Gold mining
East Driefontein Gold Mining Co Ltd	13	17	16	
Kloof Gold Mining Co Ltd	8	8	8	
do. Combined Units	23	24	24	
Luipaards Vlei Estate and Gold Mining Co Ltd‡	–	21	21	
Sub Nigel Ltd	12	14	14	
Vlakfontein Gold Mining Co Ltd	–	12	12	
West Driefontein Gold Mining Co Ltd	11	13	13	
Union Platinum Mining Co Ltd	–	11	11	Holding company–platinum
Waterval (Rustenburg) Platinum Mining Co Ltd	45	46	46	
Boskop Areas (West Wits) Ltd	–	25	25	Exploration
Gold Fields Cementation Mining Co Ltd	–	50	37	Mining engineering
Glenover Phosphate Ltd	–	50	50	Phosphate mining
Kiln Products Ltd	–	18	13	Production of zinc oxide
Rooiberg Minerals Development Co Ltd	–	11	11	Tin mining
South African Quarry Industries Ltd*	–	17	9	Lime and gravel
South West Africa Co Ltd‡	2	11	11	Zinc and vanadium mining
Vierfontein Colliery Ltd*	14	14	14	Coal mining
Vogelstruisbult Metal Holdings Ltd	4	49	49	Base metal investment
Zinc Corporation of South Africa Ltd	–	12	8	Zinc smelting
Zwartkloof Fluorspar Ltd	–	35	35	Fluorspar mining
G.F. Industrial Holdings Co Ltd	–	82	82	Holding company
Hunslet Taylor Consolidated (Pty) Ltd	–	93	77	Locomotives, mining equipment
Hunslet Taylor-Eimco Sales (Pty) Ltd	–	100	77	Marketing and general agency
Rubber and Wheel Industries (Pty) Ltd	–	75	62	Moulded rubber components
New Durban Gold and Industrials Ltd	–	58	54	Property
Carletonville Estates Ltd	–	100	54	
G.F. Industrial Property Co (Pty) Ltd	–	100	54	

Notes

West Witwatersrand Areas Ltd and its subsidiaries have substantial holdings in many of the Group's South African interests.

These are not reflected above and include the following:

60% in Boskop Areas (West Wits) Ltd	31% in Kloof Gold Mining Co Ltd
31% in East Driefontein Gold Mining Co Ltd	27% in Libanon Gold Mining Co Ltd
25% in Zwartkloof Fluorspar Ltd	20% in West Driefontein Gold Mining Co Ltd
19% in Doornfontein Gold Mining Co Ltd	13% in Venterspost Gold Mining Co Ltd

Interests held by Vogelstruisbult Metal Holdings Ltd, which are not reflected above, include the following:

50% in Glenover Phosphate Ltd	40% in Zwartkloof Fluorspar Ltd
35% in Zinc Corporation of South Africa Ltd	30% in Apex Mines Ltd
30% in Kiln Products Ltd	30% in South West Africa Co Ltd
30% in Union Tin Mines Ltd	25% in Rooiberg Minerals Development Co Ltd

The following information is given in compliance with the requirements of the London Stock Exchange:

	Shares Par Value	Shares Issued	Loan Capital	Total Reserves
West Witwatersrand Areas Ltd	R0.25	10,717,898	£4,584,972	£25,161,219
Waterval (Rustenburg) Platinum Mining Co Ltd	R0.05	37,125,000	–	£1,380,870

Australia

Consolidated Gold Fields Australia Ltd	–	68	68	Finance and management
Associated Minerals Consolidated Ltd	–	63	41	Rutile and zircon mining
Bellambi Coal Co Ltd	–	68	45	Coal mining and coke production
Commonwealth Mining Investments (Australia) Ltd	–	60	41	Mining finance
Goldsworthy Mining Ltd*	–	33	23	Iron ore mining
Lake View and Star Ltd‡	–	16	11	Gold mining
Mount Lyell Mining and Railway Co Ltd	–	56	38	Copper mining and smelting
New Consolidated Gold Fields (Australasia) Pty Ltd	–	100	68	Mining exploration
North-West Acid Pty Ltd	–	50	19	Sulphuric acid production
Renison Ltd	–	69	33	Tin mining
Western Titanium NL	–	84	55	Ilmenite mining

Canada

Newconex Holdings Ltd	–	59	59	Finance and management
Newconex Canadian Exploration Ltd	–	100	100	Mining exploration
Pacific Truck & Trailer Manufacturing Ltd	–	85	50	Trucks for lumber industry
Pyramid Mining Co Ltd*	–	11	7	Mining exploration
Vancouver Equipment Corporation Ltd	–	100	53	Plant sales

Eire

Concrete Pipes Ltd	–	100	100	Concrete products
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New Zealand

Zip Holdings Ltd	–	51	35	Domestic hardware
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Norway

A/S Bjolvefossen*	–	27	27	Ferro-alloys
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United Kingdom

Gold Fields Mining & Industrial Ltd	100	100	100	Holding and finance
Alumasc Ltd	–	100	100	Aluminium products
Ambuco Ltd	–	100	100	Dust and fume control plant
Amalgamated Roadstone Corporation Ltd	100	100	100	Quarrying, sand and gravel, coated stone and concrete
ARC (Concrete) Ltd	–	100	100	Concrete products
Abelson & Co (Engineers) Ltd	–	100	100	Plant hire
Arcontrol (Electro-Panels) Ltd	–	100	100	Electric control equipment
Comben Longstaff & Co Ltd	–	100	100	Shipping
Greenwoods Transport Ltd	–	100	100	General haulage
Roads Reconstruction (Contracting) Ltd	–	100	100	Road surfacing
Ulster Limestone Corporation Ltd	–	60	60	Quarrying
British-Borneo Petroleum Syndicate Ltd*	–	16	16	Holding and finance
Mining and Metallurgical Agency Ltd	–	50	50	Marketing and general agency
C Tennant, Sons & Co Ltd	100	100	100	Holding and finance
Tennant Guaranty Ltd	–	100	100	Export finance
Tennant Trading Ltd	–	100	100	Trading and general agency
Tennant, Budd & Roderic Pratt Ltd	–	70	70	Insurance
Wheal Jane Ltd	100	100	100	Tin mining

United States of America

Gold Fields American Corporation	–	100	100	Management
American Zinc Co	51	60	60	Zinc mining and smelting
American Limestone Co	–	100	60	Stone and concrete
Buell Engineering Co Inc	–	100	100	Dust and fume control plant

†The beneficial interests in equity shown above reflect holdings by the parent and subsidiary companies only. In addition, the Group has indirect interests in a number of cases through non-subsidiary companies.

*All the companies in the schedule are administered by the Group except those marked with an asterisk.

‡The country of incorporation and operations is as indicated by the heading except in the case of companies marked ‡ which are incorporated in the United Kingdom.

Other Group interests

in which less than 10% of equity capital is held but where the Stock Exchange value of the holding at 30 June 1970, was in excess of £200,000

	Principal activities
Australia and Oceania	
Broken Hill Proprietary Co Ltd	Iron, steel, oil and gas
EZ Industries Ltd	Lead and zinc mining
Great Boulder Gold Mines Ltd	Nickel
Poscidon NL	
Societe Le Nickel	
ICI of Australia & New Zealand Ltd	Chemicals
Mount Isa Mines Ltd	Copper, lead, zinc and silver mining
New Broken Hill Consolidated Ltd	Lead, zinc and silver mining
Peko-Wallsend Ltd	Mining finance
Western Mining Corporation Ltd	Gold and nickel mining
Westralian Sands Ltd	Ilmenite mining
Canada	
Alcan Aluminium Ltd	Aluminium
Dome Petroleum Ltd	Oil and gas
Falconbridge Nickel Mines Ltd	Nickel mining
International Nickel Company of Canada Ltd	
McIntyre Porcupine Mines Ltd	Mining finance
Placer Development Ltd	
Pine Point Mines Ltd	Lead and zinc mining
Rio Algom Mines Ltd	Uranium mining and steel
Sherritt Gordon Mines Ltd	Nickel, copper and zinc mining
South Africa	
Buffelsfontein Gold Mining Co Ltd	Gold mining
Elsburg Gold Mining Co Ltd	
St Helena Gold Mines Ltd	
Western Deep Levels Ltd	
Western Holdings Ltd	
Central Acceptances Ltd	Banking
De Beers Consolidated Mines Ltd	Diamond mining
Rennies Consolidated Holdings (Pty) Ltd	Forwarding agents
United Kingdom	
Beralit Tin and Wolfram Ltd	Tin and wolfram mining
British Petroleum Co Ltd	Oil
'Shell' Transport and Trading Co Ltd	
Ultramar Co Ltd	
Johnson, Matthey & Co Ltd	Precious metals
Monotype Corporation Ltd	Type-casting equipment
Rio Tinto-Zinc Corporation Ltd	Mining finance
United States of America	
American Metal Climax Inc	Mining finance
American Smelting and Refining Co	
Utah Construction and Mining Group	
City Services Co	Oil and gas
Combustion Engineering Inc	Industrial engineering
Kawecki Berylo Industries Inc	Chemicals
Superior Oil Co	Oil

Directors' interests

including family interests

Consolidated Gold Fields Limited

		30 June 1970 Ordinary 5s shares	1 July 1969 Ordinary 5s shares
	Note		
J D McCall		624	563
R A Hope		111	100
G J Mortimer		1,000	527
M E Rich		1,599	941
Major-General J H S Bowring		1,221	1,100
W J Busschau		1,000	810
Viscount Caldecote		222	200
J B Davis		555	500
Sir Charles Denman	1a	1,700	1,820
Lord Erroll of Hale		483	436
Sir George Harvie-Watt		710	640
A Louw		521	470
H A Mackay		111	100
M Maclachlan	2a	—	—
J B Massy-Greene		527	527
W Mason Smith		400	400
J R A M Storar	1b	1,183	300
R L Whiting		111	100
A R O Williams	2b	710	640

Subsidiary companies

	30 June 1970	1 July 1969
J B Davis		
The Bellambi Coal Co Ltd — Shares of Aus. \$0.50 each	1,000	1,000
J B Massy-Greene		
Consolidated Gold Fields Australia Ltd — Shares of Aus. \$1 each	8,200	8,200
W Mason Smith		
American Zinc Company — Shares of US \$1 each	100	100

Notes

1 All the interests shown are beneficial except as follows:

- (a) Sir Charles Denman is beneficially interested in only 900 Ordinary shares in the Company
- (b) J R A M Storar is beneficially interested in only 333 Ordinary shares in the Company

2 Additional interests in the Company's securities were held throughout the year as follows:

- (a) M Maclachlan—500 Second preference shares of £1 each
- (b) A R O Williams—£500 7¼% Unsecured loan stock 1999/2004

3 Except as stated above, the Directors have no interests in the First or Second preference shares of the Company, the 6½%, 7¼% or 8¼% Unsecured loan stocks, or in the shares or debentures of any subsidiary company.

Ten year financial summary

figures in £'000s

	1961	1962	1963
Earnings			
Revenue			
Dividends and interest on investments	4,661	5,085	5,496
Profit on realisation of investments	1,176	1,668	1,480
Industrial and commercial companies—net revenue	976	437	403
Mining and quarrying companies—net revenue	381	366	752
Fees and sundry revenue	2,026	2,192	2,088
	9,220	9,748	10,219
Expenses			
Administration, technical and general expenses	2,165	2,339	2,503
Debenture and loan interest	229	379	417
	2,394	2,718	2,920
Profit before taxation	6,826	7,030	7,299
Taxation	2,646	2,949	2,619
Net profit for the year	4,180	4,081	4,680
Attributable to outside shareholders	149	248	459
Net profit attributable to members	4,031	3,833	4,221
Allocation of profit			
Dividends paid (net to April 1966, gross thereafter)	1,729	1,894	2,121
Retained	2,302	1,939	2,100
	4,031	3,833	4,221
Earnings per 5s Ordinary share	1s 10½d	1s 7½d	1s 9½d
Dividends per 5s Ordinary share—gross	1s 3d	1s 3d	1s 4½d
Charged to investment and exploration reserve	2,329	2,145	716
Capital employed			
Net assets			
Investments (at book value)*	25,974	25,113	26,435
Fixed assets	2,367	5,007	12,135
Current assets	13,164	13,814	19,645
	41,505	43,934	58,215
Less: Current and deferred liabilities	6,655	6,561	9,342
	34,850	37,373	48,873
Share capital, etc			
Capital	13,451	14,528	14,528
Group reserves	14,524	14,626	15,393
Outside shareholders' interests	1,563	2,694	7,008
Loan capital	5,312	5,525	11,944
	34,850	37,373	48,873
*The stock exchange value of quoted investments exceeded their book value included above by	16,404	22,221	23,140

1964	1965	1966	1967	1968	1969	1970
5,920	6,400	6,926	6,738	7,778	8,125	9,383
1,779	2,068	2,340	2,680	4,701	8,007	6,279
1,114	1,406	1,281	1,527	2,062	2,497	3,158
1,951	3,111	3,794	2,547	4,449	8,384	13,877
2,223	2,455	2,818	2,924	3,671	4,646	4,572
12,987	15,440	17,159	16,416	22,661	31,659	37,269
2,654	2,955	3,224	3,590	4,301	5,083	5,499
744	880	1,330	1,595	2,012	3,232	3,995
3,398	3,835	4,554	5,185	6,313	8,315	9,494
9,589	11,605	12,605	11,231	16,348	23,344	27,775
3,667	4,035	3,674	3,621	5,020	8,678	10,479
5,922	7,570	8,931	7,610	11,328	14,666	17,296
817	1,303	1,689	1,372	2,295	3,580	4,579
5,105	6,267	7,242	6,238	9,033	11,086	12,717
2,334	2,704	3,870	4,426	4,952	5,807	6,364
2,771	3,563	3,372	1,812	4,081	5,279	6,353
5,105	6,267	7,242	6,238	9,033	11,086	12,717
2s 1d	2s 3½d	2s 7½d	2s 0½d	2s 6½d	2s 10d	2s 11d
1s 6d	1s 7½d	1s 4½d	1s 4½d	1s 5d	1s 5½d	1s 5½d
999	1,399	224	528	1,101	5,923	7,893
29,291	33,229	38,101	42,085	54,842	65,630	64,315
14,043	20,950	28,464	36,264	52,629	74,090	82,172
31,995	37,072	41,098	48,076	71,708	81,330	96,449
75,329	91,251	107,663	126,425	179,179	221,050	242,936
23,650	25,805	30,962	33,480	45,662	62,451	71,070
51,679	65,446	76,701	92,945	133,517	158,599	171,866
15,000	16,500	16,500	17,625	20,221	20,554	22,689
16,905	21,264	24,411	31,025	51,993	53,957	64,346
7,555	10,557	12,314	17,714	25,188	29,690	32,371
12,219	17,125	23,476	26,581	36,115	54,398	52,460
51,679	65,446	76,701	92,945	133,517	158,599	171,866
34,057	46,963	58,057	60,494	150,382	111,936	92,465

Financial calendar

Ordinary shares

Interim dividend	Announced Paid	24 March 1970 15 May 1970
Final dividend	Announced Payable	6 October 1970 27 November 1970 to shareholders registered on 30 October 1970

Preference shares

7% first cumulative	Dividends payable	1 January and 1 July
7% second cumulative	Dividends payable	1 April and 1 October

Unsecured loan stock

6½% 1987/92	Interest payable	31 March and 30 September
8¼% 1988/93		
7¾% 1999/2004		

Half year results	Announced	24 March 1970
Full year results	Announced	6 October 1970
Report and accounts	Issued	24 October 1970
Annual General Meeting	At the Chartered Insurance Institute 20 Aldermanbury London EC2	17 November 1970 at 11.30 am
Chairman's statement	To be circulated	20 November 1970

Change of Address

Please notify any change in your address to:

The Registrar
Consolidated Gold Fields Ltd
Lloyds Bank Ltd
Registrar's Department
The Causeway
Goring-by-Sea
Worthing Sussex

or

The Johannesburg Registrar
Consolidated Gold Fields Ltd
75 Fox Street
Johannesburg
South Africa

Notes and instructions

- 1 Please indicate with an X in the space provided whether you wish your votes to be cast for or against each of the resolutions listed.
- 2 A member entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote on his behalf. *A proxy need not be a member of the Company.*
- 3 The attached proxy form, together with any authority under which it is signed, must be posted in time to reach the office of the Registrar not later than 48 hours before the time fixed for the meeting.
- 4 In the case of a corporation, the proxy form should be executed under its common seal or the hand of its attorney or, if it has no common seal, under the hands of two of its directors or managing body or their attorney.
- 5 In the case of joint accounts, any one holder may sign the proxy form.

PROXY FORM

Consolidated Gold Fields Limited

I/We, being (a) holder(s) of Ordinary Shares in Consolidated Gold Fields Limited hereby appoint the Chairman of the Meeting as my/our Proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 17 November 1970, at 11.30 am and at any adjournment thereof and, in particular, in respect of the undermentioned resolutions referred to in the Notice of Annual General Meeting dated 24 October 1970, to vote:

For	Against	Resolution
		1 Declaration of Dividend
		2a Re-election of Directors
		2b
		2c
		2d
		3 Amendment to Article
		4 Par value of Ordinary Shares

Should this proxy form be returned signed but without any specific instructions in respect of any particular resolution, then my/our said Proxy is hereby authorised to vote for or against such particular resolution or refrain from voting as he may think fit in his absolute discretion.

For office use only
Ordinary shares

Full name(s) of (all) Shareholder(s)
In block letters

Address(es)

Signature

Date

Postage will
be paid by
Licensee

Do not affix Postage Stamps if posted in
Gt. Britain, Channel Islands or N. Ireland

Business reply service

License no. WG477

The Registrar
Consolidated Gold Fields Limited
Lloyds Bank Limited
Registrar's Department
The Causeway
Goring-by-Sea
WORTHING
Sussex

1

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